

Workstream:

Organizational Re-alignment

## NCDOT Organization Realignment Details

As noted in the reorganization memorandum, a key component of this plan is alignment of NCDOT business units along strategic functional lines. A strategically aligned organization will improve the way transportation services are delivered to North Carolinians.

Specific details can be found below concerning the individual business units that are affected by the reorganization. It is important to note that this reorganization will be accomplished by moving or reallocating existing positions rather than creating new ones. Vacant and filled positions may be reassigned as needed to fulfill the requirements of the Department's realignment. A detailed position reassignment plan is being developed and will be shared with the affected business unit(s) at the appropriate time.

**Organization Monitoring, Communication & Control** - Purpose: Responsible for overseeing and evaluating the day-to-day operations of the Department to ensure optimal efficiency, effectiveness and accountability. Specific details include:

- **Chief Operating Officer** (Currently the Chief Deputy Secretary) – The Chief Operating Officer is responsible for leading, overseeing and managing all departmental operations.
- **Strategic Management Committee** – A Strategic Management Committee responsible for developing the strategic direction for the Department is being established. This committee will be chaired by the Chief Operating Officer with direct support from the Organizational Governance Office. Committee members include the Deputy Secretary for Intergovernmental Affairs and Budget Coordination, Chief Financial Officer, Deputy Secretary for Administration and Business Development, Human Resources Director, Director of Technical Services, Chief Information Officer, Deputy Secretary for Transit, State Highway Administrator, Communications Director and Commissioner of Motor Vehicles. The Strategic Management Committee will initially meet bi-weekly to ensure the organizational transition.
- **Organizational Governance Office** - The Governance Office is being established to provide oversight of the implementation of strategic initiatives approved by the Strategic Management Committee. This oversight will be accomplished through the active involvement, monitoring and reporting of delivery status to the Strategic Management Committee. Strategic initiatives in the area of Leadership Development, Talent Strategy and Information Technology are three known areas that will be reviewed by the Strategic Management Committee. This office will report to the Chief Operating Officer.
- **Office of the Inspector General** – The Inspector General will report directly to the Secretary of Transportation and will be responsible for ensuring that the Department's risk management plan, internal controls, policies and procedures are adequate and functioning in a manner that is compliant with policies, procedures, laws and regulations. This office will replace the current audit structure within the Department that is not only segmented, but has insufficient audit coverage and scope. This newly created office encompasses not only the audit of internal and external financial information and processes but also information technology, organizational performance, Disadvantaged Business Enterprise compliance, fraud and waste investigations and contract bid monitoring and analysis.

The Office of Inspector General will be structured into three operating units:

- ***Financial and Organizational Performance Audit*** – This office will be responsible for internal financial and compliance audits, information technology audits and organizational performance. The following units are being transferred and consolidated to form this office:
  - The Internal Audit Section is being transferred from the Deputy Secretary for Administration and Business Development to the Office of Inspector General;
  - Four positions are being transferred from the Information Technology Division to the Office of Inspector General and will be responsible for managing IT audits and personal computer forensics and investigations; and
  - Three positions are being transferred from Productivity Services to the Office of Inspector General to manage organizational performance audits.
- ***External Audit*** – The External Audit Branch is being transferred from the Financial Management Division to the Office of Inspector General. They will continue to manage single audit compliance, consultant, railroad, utility and Disadvantaged Business Enterprise compliance audits. To support Disadvantaged Business Enterprise compliance audits, four Disadvantaged Business Enterprise compliance positions are being transferred from the Office of Civil Rights and Business Development.
- ***Investigations*** – Six positions are being transferred from the External Audit Branch to the Office of Inspector General to manage fraud investigations, waste investigations and bid monitoring functions for the Department.

**Transportation Strategy & Investment Analysis** - Purpose: Develop, monitor and manage strategic plans and investment alternatives based on the long range multi-modal transportation needs of the state. Specific details include:

- ***Strategic Planning Office of Transportation*** – The Strategic Planning Office of Transportation will manage the strategic planning and prioritization process for the Department. Using the Department’s new mission and goals as a baseline, the Strategic Planning Office will implement a recently developed framework designed to evaluate and prioritize transportation programs, projects, services and initiatives. This evaluation will ultimately lead to the development of investment scenarios that define outcome-based, long-range multi-modal transportation solutions for the citizens of North Carolina. This office will also work with state and departmental leaders at the appropriate time to recommend revisions to the Department’s mission and goals to meet the future long range goals of the Department. Two positions were transferred from the Transportation Planning Branch to staff this office.
- ***Transportation Planning Division*** – The Transportation Planning Branch is being transferred from Preconstruction to the Deputy Secretary for Intergovernmental Affairs and Budget Coordination. This move facilitates the alignment of strategic and statewide multi-modal planning functions under the same management structure. The Department will be more efficient by aligning the Department’s long-range multi-modal transportation plan with the

transportation planning services being provided to municipalities, counties, regions, MPOs and RPOs.

- ***Policy and Procedure Administration Division*** – The Policy and Procedure Administration Office is being established to develop and maintain an electronic library of policies, procedures, manuals, guidelines and standards documents. This office will also manage the process by which these documents are posted, monitored for currency, updated, reviewed and revised. Centralization of these documents will provide both internal and external access to policies that are often located in the office of origination, making them difficult to find. Centralization of these documents will improve efficiency and communication.
- ***Innovative Financing*** – This office is being created to manage the innovative financing needs for the 21<sup>st</sup> Century Department of Transportation. This office will have the fiduciary responsibility for negotiating and managing alternative financing instruments such as Public Private Partnerships (PPP); debt instruments (such as GARVEE bonds); targeted, new fee structures (hot lanes/variable pricing), and municipal financial partnerships.

**Transportation Business Administration** - Purpose: Provide day-to-day business administration and supportive service functions.

- ***Civil Rights / EEO*** – The Department is consolidating civil rights functions into a single office reporting to the Deputy Secretary for Administration and Business Development. This office will be responsible for providing comprehensive nondiscrimination and equal opportunity oversight throughout the Department. The following units are being transferred and consolidated to form this office:
  - The Human Resources EEO office is being transferred from the Human Resources Director to the Deputy Secretary for Administration and Business Development to provide Title VII management and oversight.
  - The Title VI Administration unit and one Disadvantaged Business Enterprise compliance position will continue to provide Title VI management and oversight.
- ***Business Opportunity and Workforce Development*** – The Department is consolidating the Office of Civil Rights Business Development Unit and the Contractual Services On-The-Job Training Unit to provide comprehensive business opportunity and workforce development services under the same management structure reporting to the Deputy Secretary for Administration and Business Development. These functions are vitally important to the Department's commitment to increase business opportunities for small, disadvantaged, minority, and women business enterprises.
- ***Division of Safety and Risk Assessment*** – The Division of Highways Safety and Loss Control Unit is being transferred to the Deputy Secretary for Administration and Business Development. This unit will be consolidated with the Management Assessment Unit to provide comprehensive safety and security oversight for all departmental employees and facilities.

- ***Talent Management*** – The Department is creating a Talent Management Unit within the Human Resources Department. This unit will be responsible for implementing a formal talent management strategy that is consistent with the Department’s mission and goals. This talent strategy will infuse DOT with employees to fulfill long-term organizational requirements with emphasis on leadership development.

**Process Management** - Purpose: Provide enterprise technical and administrative services that improve delivery of the projects, programs, services and initiatives being managed by NCDOT.

- ***Technical Services*** – The Department is consolidating several units to provide a more efficient and accountable delivery processes. The objective is to minimize the amount of time business units spend in the administration of project delivery so they can focus on technical delivery of their core business functions. This group will report to the Chief Operating Officer as they will support the multi-modal delivery functions of NCDOT. This Division will chair the Bid Review, Goal Compliance, American Council of Engineering Companies and Associated General Contractors committees. This Division will also chair a committee to manage the Department’s bidders list.

This Division will consist of the following functions.

- ***Contract Standards and Administration Division*** –This office will provide contracting standards and administration across all modal-divisions, eliminating similar functions throughout the Department. This will standardize the development, advertisement, evaluation and selection of transportation contracts throughout the Department. The following units are being transferred to the Division of Technical Services and consolidated to form this office.
  - Project Services Contract Office is being transferred from the Director of Preconstruction;
  - Alternative Delivery Unit Alternative Contracts section is being transferred from the Director of Preconstruction;
  - Agreements Unit is being transferred from the Chief Financial Officer; and
  - The Information Technology Computer Operations (document reproduction staff) will be transferred from the Chief Information Officer.
- ***Transportation Program Management Division*** – This office will be responsible for providing comprehensive program and project management services for multi-modal transportation projects statewide. Services include:
  - Dedicated project management (Project Executives) – This includes day-to-day project management functions for strategic transportation projects;
  - Program oversight – This includes project management oversight and reporting capabilities for major transportation programs; and

- Business Systems Management – This includes the management of the executive dashboard development and maintenance, performance metric management, project schedule management and reporting services.

The following units are being transferred to the Division of Technical Services and consolidated to form this office.

- Scheduling Unit, including the Project STaRS management and maintenance, is being transferred from the Program Development Branch;
  - ADU Design Build section is being transferred from the Director of Preconstruction;
  - Enhancement Unit is being transferred from the Financial Management Division;
  - Research and Development Unit is being transferred from the Director of Preconstruction (Transportation Planning Branch); and
  - The Alternative Delivery New Products Evaluation and Recycling Unit is being transferred from the Director of Preconstruction.
- ***Quality Enhancement Division*** – The following units are being transferred to the Division of Technical Services and consolidated to form this office.
- Office of Environmental Quality is being transferred from the Deputy Secretary for Intergovernmental Affairs and Budget Coordination;
  - Alternative Delivery Value Engineering Unit is being transferred from the Director of Preconstruction; and
  - Productivity Services unit is being transferred from the Chief Financial Officer.

This Quality Enhancement Division will be responsible for managing value management functions along three distinct functions:

- Transportation Project Value Management – This includes, but is not limited to Value Engineering Studies, Value Engineering Change Processes, Resource Conservation, Constructability Reviews and Post Build Assessments;
- Process Improvement - This unit will work with the Governance Office and Office of Inspector General to formalize the Department's on-going continuous process improvement program. The Process Improvement Unit will facilitate the development and implementation of initiatives approved by the Strategic Management Committee; and

- Research Evaluation and Implementation - This unit will be responsible for Market Research, New Product and Process Evaluation and Innovative Construction Practice studies.
- ***Contractual Services Division*** – The Business and Contractual Management is being transferred to the Technical Services Divisions. The Unified Certification Program section is being transferred to the Business and Contractual Management Division where it will be integrated into this office. This consolidation will provide a single point of contact for transportation contractors, sub-contractors and professional services firms doing business with the Department. This group will manage the Department’s certification, prequalification and contractor utilization functions.
- ***Professional Services Management Division*** – Every unit throughout the Department that manages professional services contracts will be affected. This change will provide efficiencies in the way professional services contracts are managed across all modal-divisions. This unit will be responsible for the standardization of the following professional services functions:
  - Acquisition
  - Contracting process, including alternative contracting approaches
  - Vendor performance evaluation and rating
  - Vendor workload tracking
  -
- ***Photogrammetry Division*** – The Preconstruction/Photogrammetry Unit is being transferred to the Division of Technical Services. This will provide efficiencies in the Photogrammetry services available to all modal-divisions.

**Transportation Program & Asset Management** - Purpose: Provide the day-to-day central management, technical expertise and administration of NCDOT multi-modal transportation programs.

- ***Transit Division***

- ***Bicycle and Pedestrian Division*** – The Bicycle and Pedestrian Division is being transferred from the Deputy Secretary for Intergovernmental Affairs and Budget Coordination to the Deputy Secretary for Transit. This move aligns all non-highway modal divisions under a common management structure.

- ***Rail Division*** – The Rail Utility Relocation Unit is being transferred from the Project Services Unit to the Rail Division. This improves efficiency by aligning rail utility relocation functions within the Rail Division.
- ***Division of Highways***
  - ***Transportation Mobility & Safety Division*** – This unit will be responsible for providing mobility programming, planning, design and operations functions for the Department. The following units are being transferred to the State Highway Administrator and consolidated to form this Division:
    - - The Traffic Engineering and Safety Systems Branch is being transferred from the Director of Preconstruction;
      - Intelligent Transportation Systems Operations is being transferred from the Asset Management Division;
      - Work Zone Traffic Control is being transferred from the Director of Preconstruction; and
      - Oversize/Overweight Permits Unit is being transferred from the Asset Management Division.
  - ***Asset Management Division***– The Division of Highways Asset Management office is being transferred from the Chief Engineer of Operations to the State Highway Administrator. This restructuring will delay the organization providing for more efficient operations and technical support to the 14 transportation divisions. The Asset Management Office is responsible for the following business units:
    - ***State Road Maintenance Unit*** – including the Road Inventory and Mapping units being transferred from Information Technology.
    - ***Bridge Management Unit***
    - ***Pavement Management Unit***
    - ***Equipment Unit***
    - ***Secondary Roads Unit***

**Transportation Program Delivery** - Purpose: Manage the decentralized delivery of NCDOT projects, programs, services and initiatives.

- ***Chief Engineer of Operations*** – The Chief Engineer of Operations will report to the State Highway Administrator and oversee the 14 field divisions and the field support functions noted below.
  - ***Division Engineers*** – The 14 Division Engineers will report directly to the Chief Engineer of Operations. The 14 highway divisions will transition from highway



divisions to multi-modal transportation divisions. The Division Engineer will be responsible for delivering all multi-modal transportation projects in their respective areas of the state.

- ***Director of Field Support*** – The role of the Director of Field Operations is transitioning to the Director of Field Support. The focus of this office is to manage functions noted below with an emphasis on program and project delivery. The Director of Field Support will be responsible for the following business units:
  - Construction Unit
  - Materials and Test Unit
  - Roadside Environmental is being transferred from the Asset Management Division to the Director of Field Support
  - Utilities is being transferred from Project Services Unit to the Director of Field Support
  - Right of Way is being transferred from Preconstruction to the Director of Field Support

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## **Business Case for Chief Operating Officer**

**Job Overview:** Overseeing the day-to-day operations of the department to ensure optimal efficiency, effectiveness, and accountability.

### **What problems will this role solve?**

Results of the diagnostic revealed that the department's current structure may compound many strategic and process challenges. The diagnostic also identified significant opportunities to improve performance. To lead the effort towards a performance-based culture, we recommend the use of the Chief Deputy Secretary as the Chief Operating Officer (COO) role within executive management that would oversee departmental operations with special emphasis on ensuring successful projects, programs, services, and initiatives (PPSI) delivery and achieving optimal efficiency, effectiveness, and accountability through performance metrics. This role will handle day-to-day operations of the department.

### **Major Responsibilities**

- Head operational plan development and implementation to execute organizational strategy.
- Oversee PPSI delivery process to ensure that milestones are met.
- Imbue culture of operational excellence, effectiveness, efficiency, and project delivery within the organization through leadership, performance-based management, and accountability.
- Recommend KPIs to track progress against high-level dashboard metrics.
- Oversee the development of the annual operating and PPSI budgets.
- Board of Transportation Liaison.

### **What success will look like in two years**

- Consistent improvement in organizational operations towards optimal effectiveness, efficiency, and accountability.
- Successful PPSI delivery process – achievement of PPSI delivery milestones and budget constraints

### **Key Performance Measures for position (examples – list not exhaustive)**

- Attainment of high-level dashboard metrics (e.g., PPSI delivery, safety, mobility)

### **Competencies/Skills of successful candidates for position**

- Graduation from an accredited college or university with an undergraduate degree in business administration/management, public administration, finance, engineering, public policy, or political science, or an equivalent combination of training and experience.
- High performing individual with strong strategic and operational knowledge.
- Experience in working with federal, state, or local government.
- Effective communicator, collaborator, team builder, and consensus builder.
- Demonstrated leadership and managerial skills.
- Diverse experience with Department operations required.

This role requires a specialized skill set with proven managerial, operational, financial, and technical experience. Inasmuch as this role is critical to the strategy implementation of the department and will be at the executive management level, this position will be exempt from the State Personnel Act, most likely an exempt policymaking position.

**Place within the organization**

The Chief Deputy Secretary/COO reports directly to the Secretary.

**Cost**

We anticipate no additional costs associated with the creation of and onboarding for this role as we recommend the Chief Deputy Secretary position to become the COO role.

**Conclusion**

With dedicated leadership on the executive management level, the department transitions into a performance-based culture with a primary goal of on-time and within-budget PPSI delivery and achievement of optimal effectiveness, efficiency, and accountability. In addition, the Chief Deputy Secretary/COO will work to imbue within the departmental culture the organizational mission, goals, and values.

# 21st Century Department of Transportation

Secretary of Transportation

## Organization Monitoring, Communication & Control

Purpose: Responsible for overseeing the day-to-day operations of the Department to ensure optimal efficiency, effectiveness, and accountability.

### Transportation Strategy & Investment Analysis

**Purpose:** Develop, monitor and manage strategic plans and investment alternatives based on the long range multi-modal transportation needs of the state.

### Transportation Business Administration

**Purpose:** Provide day-to-day business administration functions to the business.

### Transportation Process Management

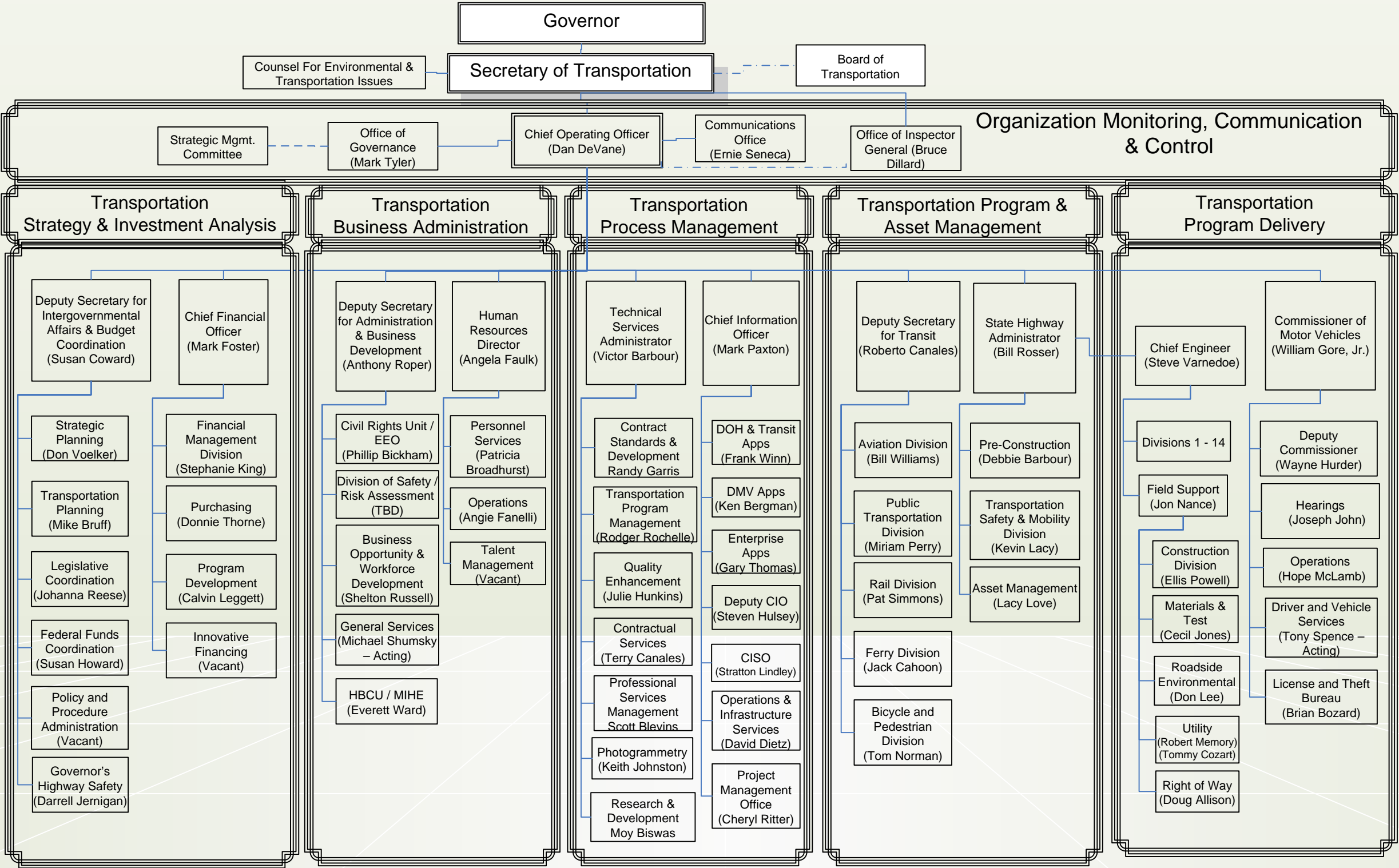
**Purpose:** Provide technical services that improve delivery of the projects, programs, services and initiatives being managed by NCDOT.

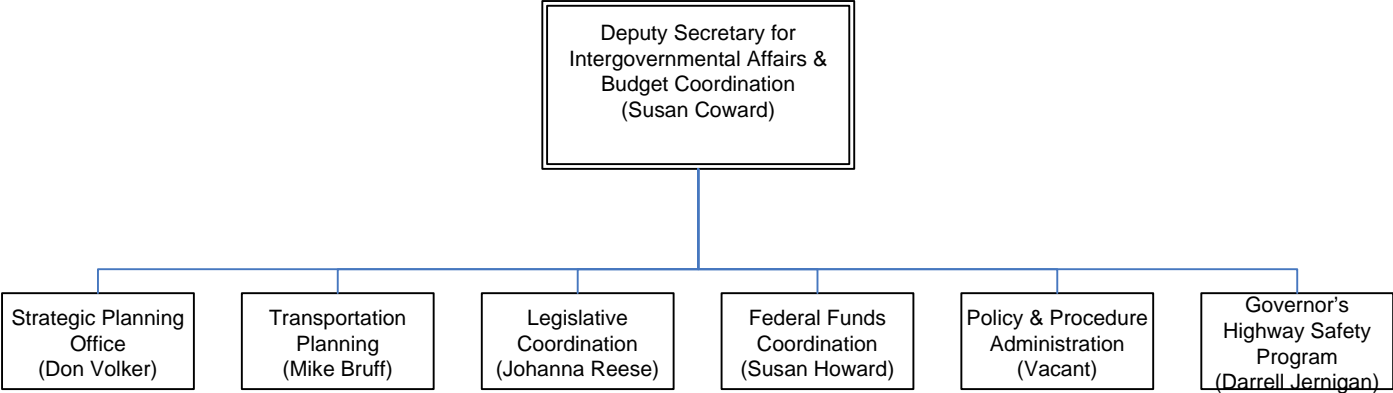
### Transportation Program & Asset Management

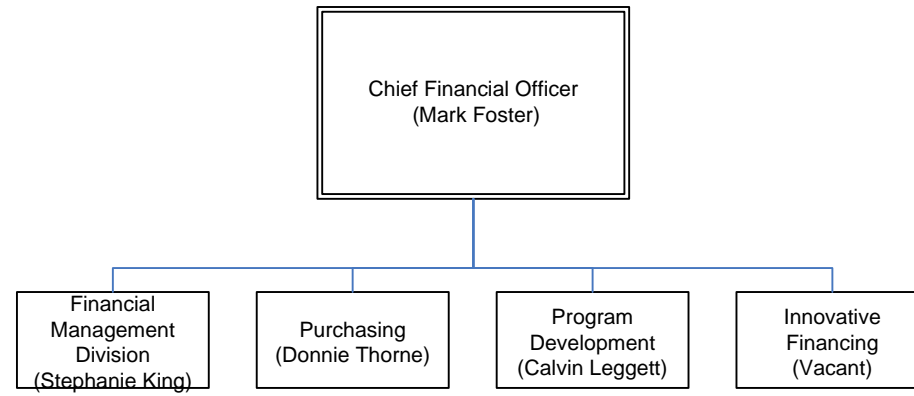
**Purpose:** Provide central management and expertise to ensure consistency of multi-modal transportation programs being managed by NCDOT.

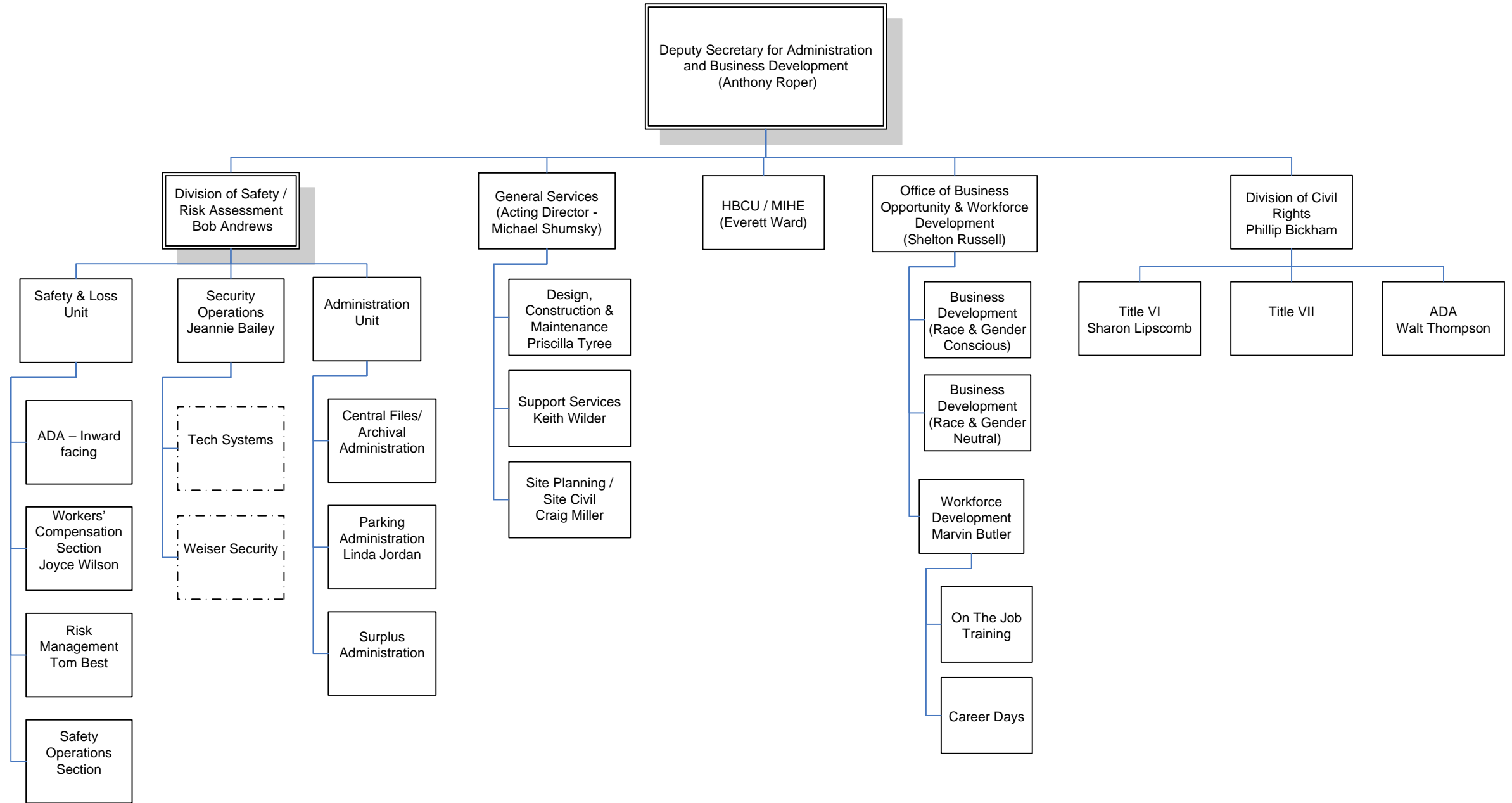
### Transportation Program Delivery

**Purpose:** Manage the delivery of the projects, programs, services and initiatives being managed by NCDOT.

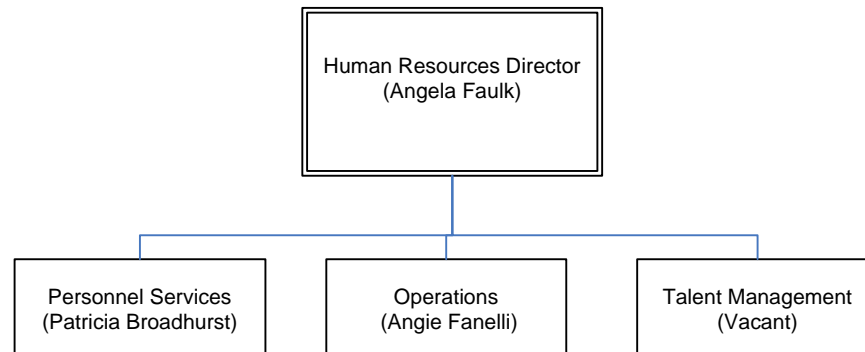




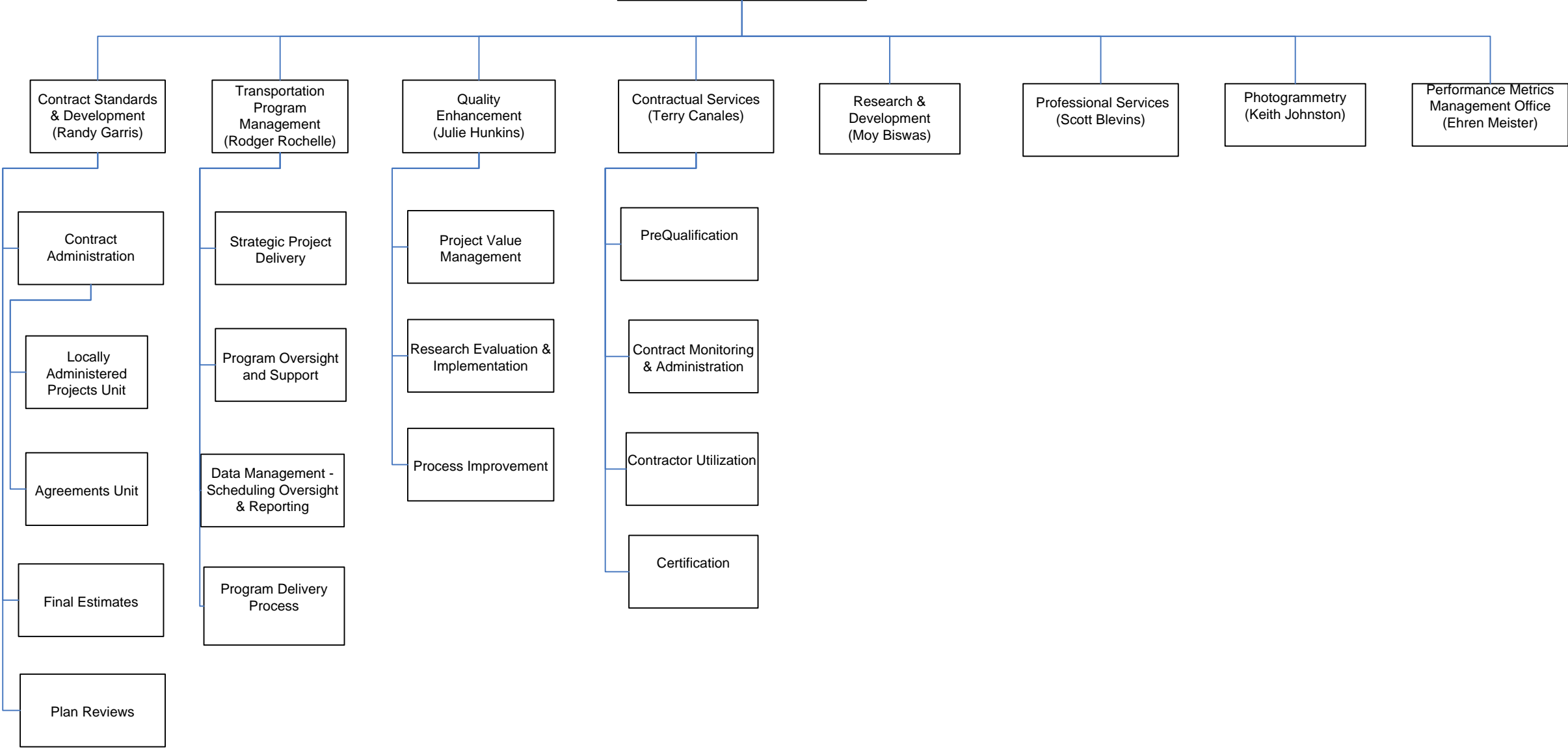


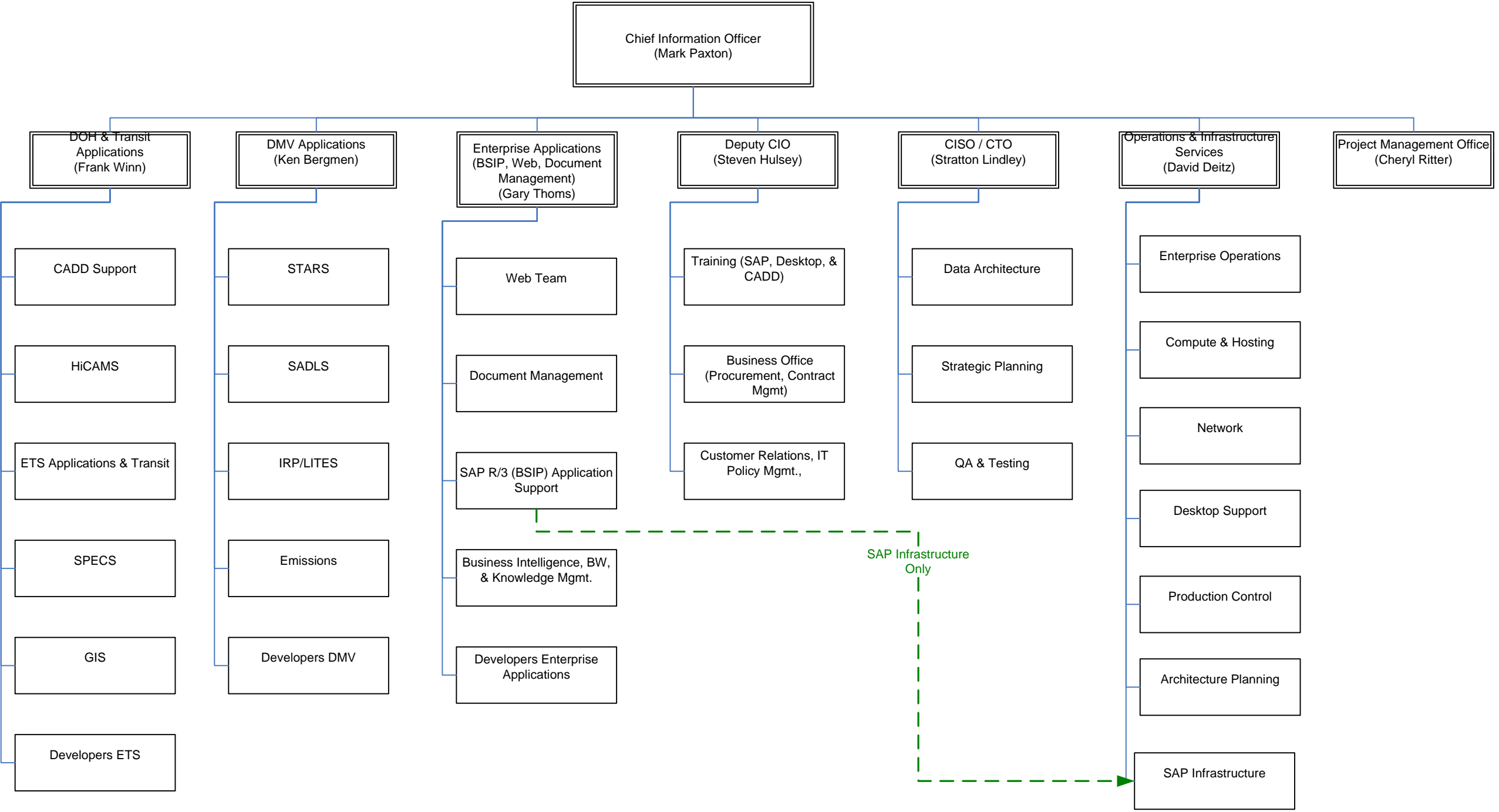


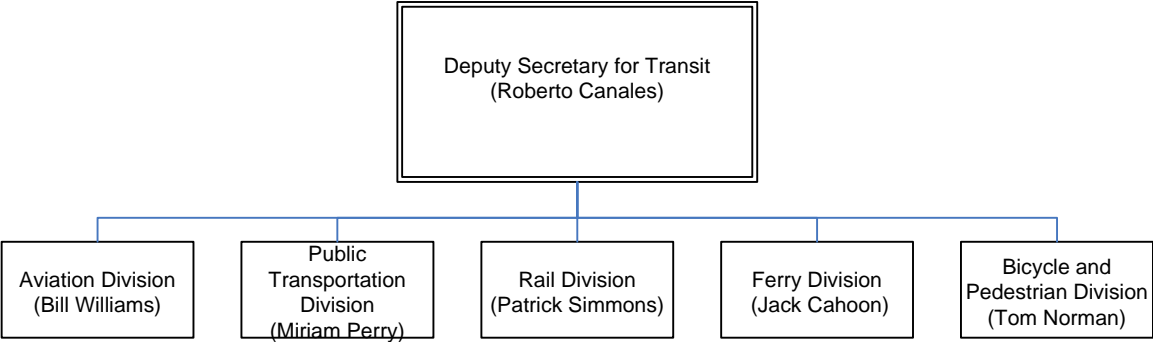


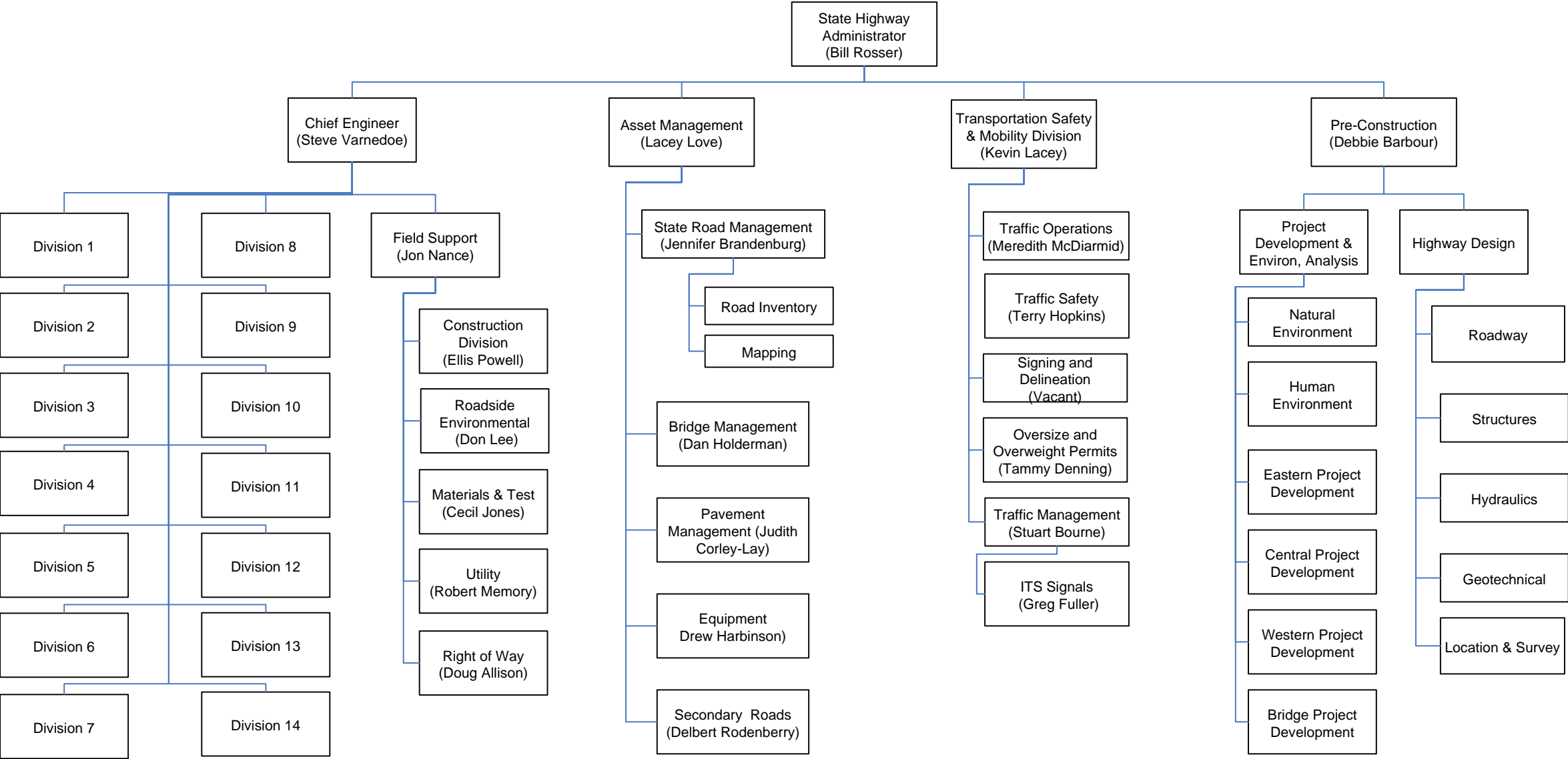


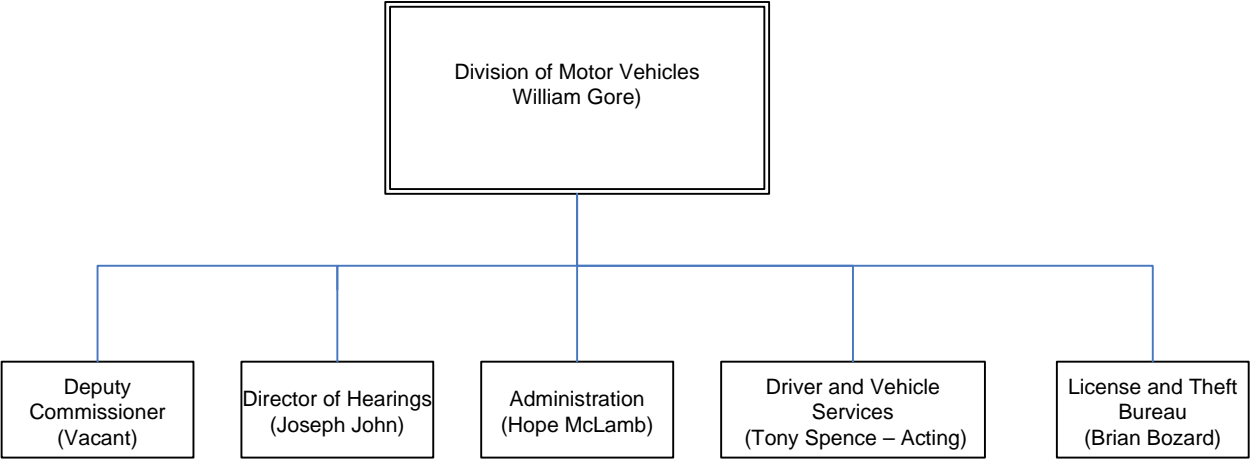
Office of Technical Services  
(Victor Barbour)

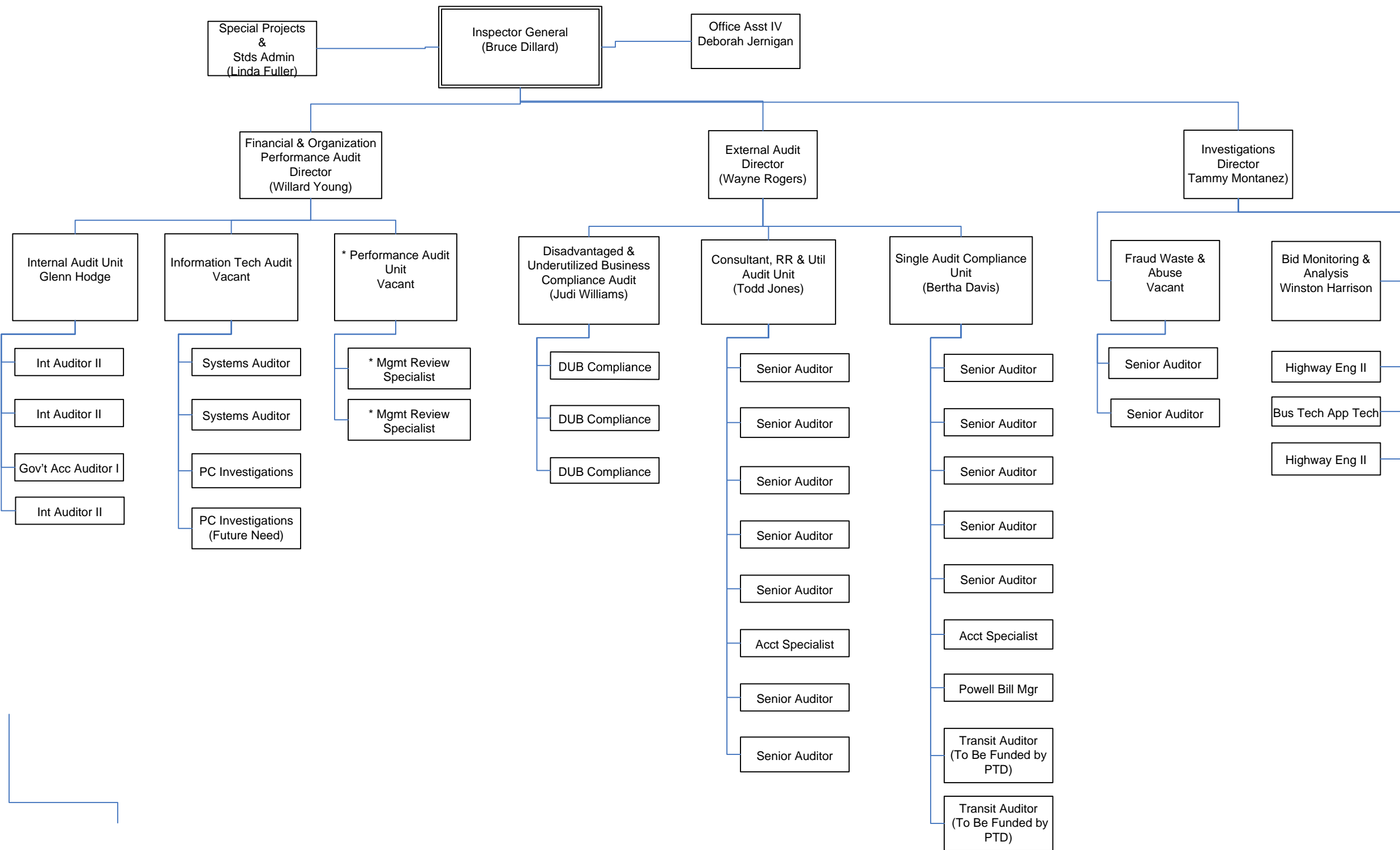












# 21st Century Department of Transportation

## Secretary of Transportation

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#### Transportation Process Management

**Purpose:** Provide enterprise technical and administrative services that Improve delivery of the projects, programs, services and initiatives being managed by NCDOT.

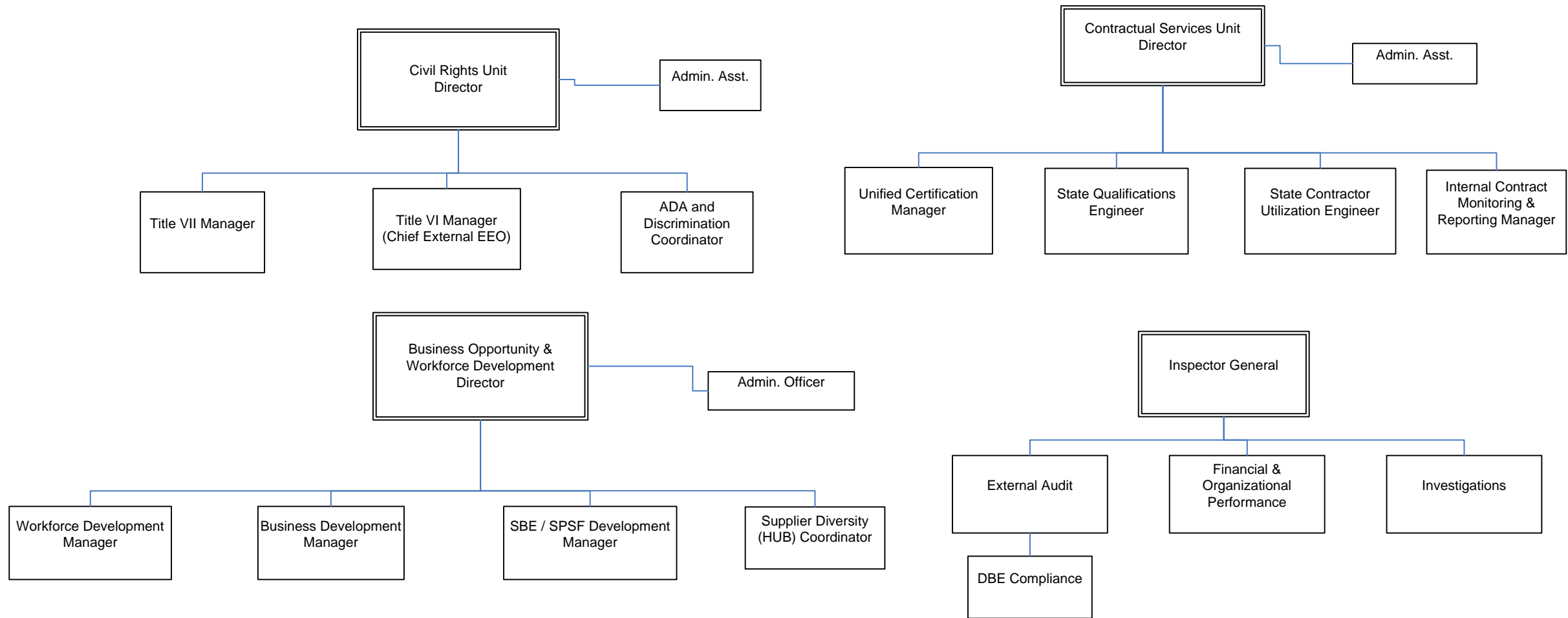
#### Transportation Program & Asset Management

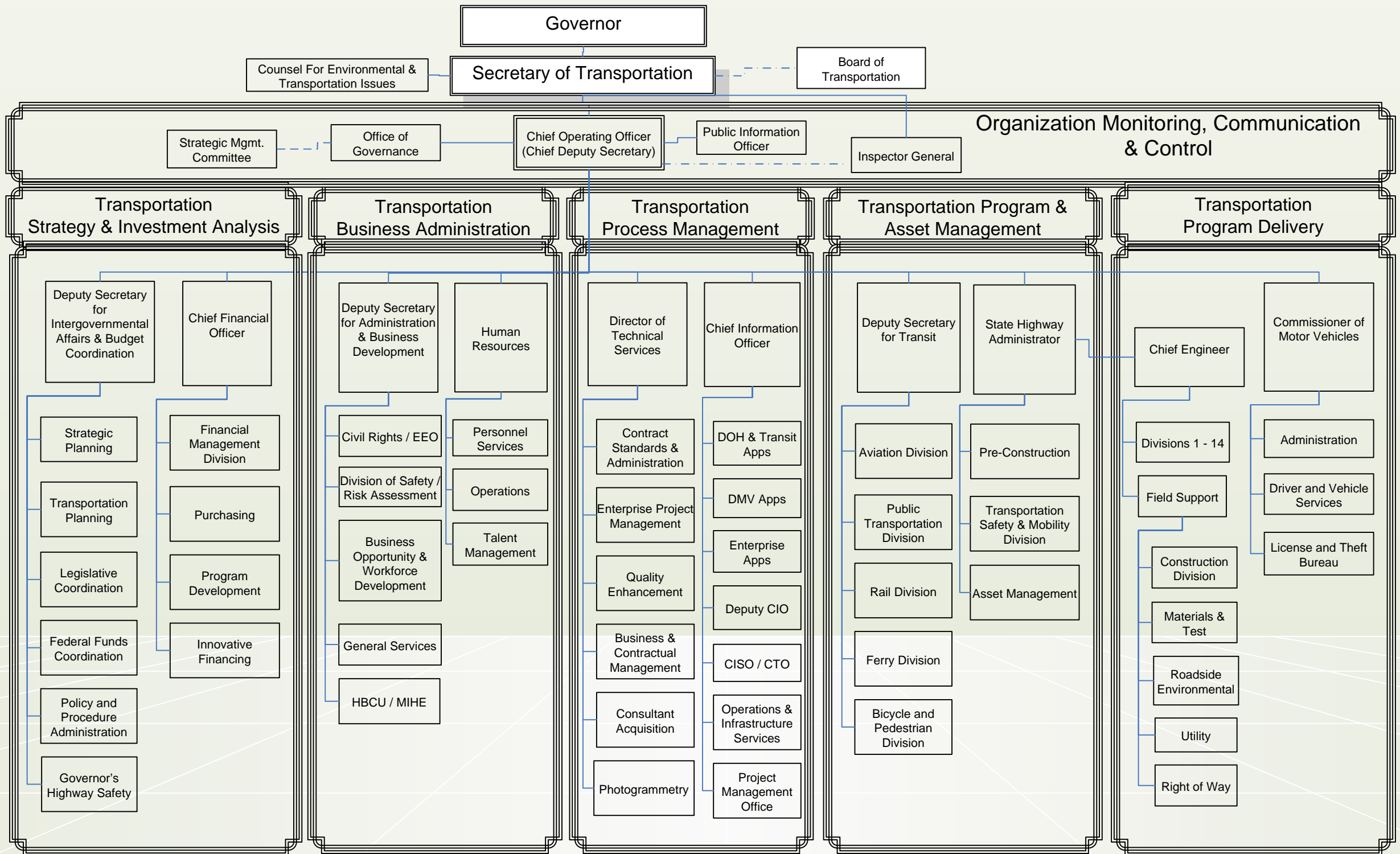
**Purpose:** Provide the day-to-day central management, expertise and administration of the highway and multi-modal transportation programs being managed by NCDOT.

#### Transportation Program Delivery

**Purpose:** Manage the delivery of the projects, programs, services and initiatives being managed by NCDOT.







# 21st Century Department of Transportation

## Secretary of Transportation

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## **MODIFY LINKAGES TO NORTH CAROLINA RAILROAD & NORTH CAROLINA STATE PORTS AUTHORITY**

### **Goal:**

The overarching goal of this recommendation is to improve the Department of Transportation's (Department or NCDOT) current professional relationship with North Carolina Railroad (NCRR) and North Carolina State Ports Authority (SPA) with the end-result being better planning, collaboration, and execution of transportation projects.

### **Recommendation:**

We offer several recommendations to accomplish this goal. Firstly, we recommend executive-level representation on the board of NCRR. One of the Governor's appointments to the board should include the Secretary of NCDOT. Secondly, we recommend initiating master planning work sessions with the NCRR. The purpose of these sessions would be to create a master plan for the corridor, specifically the identification and evaluation of encroachments. It is intended that this approach to project planning would solicit the involvement and input of all stakeholders with the aim of obtaining consensus on project scope and breadth at the initial phase of the planning process. The third recommendation, an alternative to the first and second recommendations, is to propose legislative to define the role of NCRR and prescribe its relationship with other state agencies. This direction could provide NCRR with the necessary guidance to shape its policy, and define legal responsibility and authority.

Further, we recommend the continuation of ongoing discussions with SPA for planning purposes. Recognizing its vision and mission for the North Carolina International Port, a multi-modal transportation network is an essential and critical element in moving goods within and throughout the state. Therefore, planning inclusive of all stakeholders must occur for the development of a functional logistics plan that effectively and efficiently integrates all transportation modes.

### **Rationale for the change:**

History is replete with instances where projects have been delayed due to an inability of NCRR and NCDOT to reach agreement on the scopes of projects that encroach on NCRR's rights-of-way. Significant delays are incurred when NCDOT seeks permission to encroach on NCRR corridors. The state's public roads are believed to be the single largest encroacher upon NCRR property. It has been suggested that a long-term plan be developed to identify all corridor encroachments and resolve conflicts where practical. Recently, talks have been initiated between NCDOT and NCRR to discuss upcoming and ongoing projects that are of mutual interest. Although these talks have only begun lately, we are hopeful that this dialogue is the first step towards master planning work sessions that focus on pre-scoping and scoping aspects common projects.

The arduous process of obtaining rights-of-way on state-owned property for state-funded (partially or wholly) projects has protracted project planning for the Department. We believe that through collaboration and cooperation together both parties can

develop an expedient planning process to obtain/issue rights-of-way that addresses the concerns of both parties without lengthening the project planning, design, and delivery processes.

If however, NCRR and NCDOT are unable to forge this productive relationship, we strongly suggest introducing legislation to define role and responsibilities of NCRR. While we believe that we may be faced with opposition in this effort, evidence of cost impacts realized due to time delays can bolster our position. We contend that legislation would wield greater influence in ensuring a cooperative relationship between the two agencies and in developing policies and processes to facilitate the Department's commitment and ability to deliver projects timely.

SPA, to its credit, has initiated open discussions with NCDOT in an effort to gain consensus and cooperation in assessing the integrated transportation system requirements necessary for its International Port project. SPA recognizes that the current transportation infrastructure cannot support the amount of traffic that will result once the International Port comes to fruition. We commend this effort and encourage the continuation of this dialogue as the foundation for collaborative and cooperative long-term planning.

#### Challenges and Benefits:

The greatest benefit of improving the linkages between the NCRR and SPA with the Department is the collaborative and cooperative working relationship. Open dialogue with stakeholders at the onset about scoping and planning can only result in positive outcomes. Most important among the many benefits is the reduction of significant delays associated with the process of receiving permission from NCRR to encroach upon NCRR rights-of-way for mutually beneficial projects. In addition, including the Secretary on the NCRR board guarantees the interests and concerns of the Department are considered.

#### Process Change:

There is no process in place to change.



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

MICHAEL F. EASLEY  
GOVERNOR

1501 MAIL SERVICE CENTER, RALEIGH, N.C. 27699-1501

LYNDO TIPPETT  
SECRETARY

August 07, 2008

MEMORANDUM

TO: NCDOT Employees

FROM: Lyndo Tippet

SUBJECT: NCDOT Realignment

Thank you for your participation over the past eighteen months as our Department has undertaken an extensive internal review of its organization and business practices. The goal of this review is to make NCDOT more strategically oriented, accountable, efficient and effective in its use of resources. The agency will be more focused on outcomes-based performance metrics and ultimately, better able to provide the transportation network and services needed by North Carolinians. NCDOT will also be an even greater workplace for our 14,000 employees.

We have already begun to develop and implement new strategies designed to take NCDOT solidly into the 21st century. A Strategic Planning Office has been established and a strategic planning and prioritization framework has been developed. We have also launched a comprehensive talent management strategy that includes a new performance management system unlike any other in North Carolina state government. In addition, we are in the process of making our organizational performance visible through a new executive dashboard reporting system.

Our Department, like many other state transportation agencies, faces challenges on a number of fronts. Demand for diverse transportation alternatives is increasing during a time of rising fuel and construction costs and flattening revenue. North Carolina's population is expected to grow by approximately 50 percent over the next 25 years, and it is becoming significantly more expensive to meet transportation-related needs for citizens. Meanwhile, federal and state transportation funding has been relatively flat over the last several years, and the Federal Highway Trust Fund program is projected to run out of funding by 2009 unless major action is taken.

Internally, our organization structurally has remained much the same, has limited ability to prioritize and fund projects, and has found it difficult to attract and retain top talent. In short, we have not been keeping up with the best organizations in the public and private sector, which are increasing their focus on efficiency and strategy to achieve operational excellence.

After assessing the transformation recommendations that have been made, I feel that it is now important to restructure the Department to incorporate needed changes. The restructuring plan presented below will be accomplished by moving or reallocating existing positions rather than

creating new ones. A key component of this plan is alignment of NCDOT business units along strategic functional lines and transitioning to a comprehensive multi-modal approach to delivering transportation projects. A strategically aligned organization will improve the way transportation services are delivered to North Carolinians. This new alignment will also address organizational structure challenges identified by the outside contractor hired to assess NCDOT. The challenges identified are:

- A silo culture across the Department, leading to limited coordination among business units;
- Insufficient accountability for delivery of projects, programs, services and initiatives;
- Inconsistent coordination across geographies in planning, designing, delivering and maintaining projects; and
- Slow decision-making processes with too many organizational layers.

The strategic functional alignments are:

**Organization Monitoring, Communication & Control** – This part of the organization will be responsible for overseeing and evaluating the day-to-day operations of the Department to ensure optimal efficiency, effectiveness and accountability. The responsible positions for this part of our organizational structure are the Chief Operating Officer (Chief Deputy Secretary), Inspector General, Communications Director and Governance Office Director.

**Transportation Strategy & Investment Analysis** - This part of the organization will be responsible for developing, monitoring and managing strategic plans and investment alternatives based on the long-range, multi-modal transportation needs of the state. The responsible positions for this part of our organizational structure are the Deputy Secretary for Intergovernmental Affairs and Budget Coordination and the Chief Financial Officer.

**Transportation Business Administration** - This part of the organization will be responsible for providing day-to-day business administration and supportive service functions to the Department. The responsible positions for this part of our organizational structure are the Deputy Secretary for Administration and Business Development and the Human Resources Director.

**Transportation Process Management** - This part of the organization will be responsible for providing department-wide technical and administrative services that improve delivery of the projects, programs, services and initiatives being managed by NCDOT. The responsible positions for this part of our organizational structure are the Technical Services Director and Chief Information Officer.

**Transportation Program & Asset Management** - This part of the organization will be responsible for providing the day-to-day central management, expertise and administration of the highway and multi-modal transportation programs being managed by NCDOT. The responsible positions for this part of our organizational structure are the Deputy Secretary for Transit and the State Highway Administrator.

**Transportation Program Delivery** - This part of the organization will be responsible for managing the decentralized delivery of NCDOT projects, programs, services and initiatives. The responsible positions for this part of our organizational structure are the Chief Engineer of Operations and the Commissioner of Motor Vehicles.

Business unit managers will begin making the changes necessary to implement this new structure immediately. Our plan is to have the entire organization operating under this functional approach by September 2, 2008.

Employees who have served on the Transformation Management Team (TMT) will assist with this re-alignment over the next few months and will begin to transition back to their permanent duty stations. The TMT is currently compiling a final report that catalogs the findings and recommendations and implementation status of this work. The report is to be complete by September 30, 2008.

I encourage all employees to pull together to make this a smooth and successful transition. I am asking senior Departmental leaders to make time in their schedules to address any questions that you might have. By working together we can make the North Carolina Department of Transportation a better place to work, while continuing to be a leader among state transportation agencies.

Thank you for all your efforts and for helping us as we move forward improving the way we *'Connect people and places in North Carolina – safely and efficiently, with accountability and environmental sensitivity'*.

cc: Board of Transportation

attachments